

Staff Summary Report



Council Meeting Date: 06/05/08

Agenda Item Number: 3

SUBJECT: This is the final public hearing to adopt Resolution 2008.45 containing estimates of proposed expenditures by the City of Tempe for the fiscal year beginning July 1, 2008 and ending June 30, 2009, and to declare that such shall constitute a budget for the City of Tempe for said fiscal year.

DOCUMENT NAME: 20080605fsae03

BUDGET (0205-11-01) Resolution No. 2008.45

SUPPORTING DOCS: No

COMMENTS: N/A

PREPARED BY: Cecilia Robles, Deputy Financial Services Manager (350-8881)

REVIEWED BY: Jerry Hart, Financial Services Manager (350-8505)

LEGAL REVIEW BY: Andrew Ching, City Attorney (350-8575)

FISCAL NOTE: See below

RECOMMENDATION: Staff recommends approval of Resolution No. 2008.45

ADDITIONAL INFO: Resolution No. 2008.45 adopts the final budget for fiscal year 2008-2009. Since tentative adoption on May 22nd, the attached schedules (Exhibit A) have been properly advertised pursuant to A.R.S. §42-17103.

Prior to final adoption of the budget at a special meeting, the Council must hold a public hearing where any taxpayer may appear and be heard for or against any proposed expenditure or tax levy pursuant to A.R.S. 42-17104 and 42-17107.

No changes have been made since the May 22nd adoption, therefore, the attached schedules are identical to those submitted at tentative adoption.

RESOLUTION 2008.45

A RESOLUTION DETERMINING AND ADOPTING
FINAL ESTIMATES OF PROPOSED EXPENDITURES
BY THE CITY OF TEMPE FOR THE FISCAL YEAR
BEGINNING JULY 1, 2008, AND ENDING JUNE 30, 2009.
DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET
FOR THE CITY OF TEMPE FOR SUCH FISCAL YEAR.

WHEREAS, in accordance with the provisions of Title 42, Sections 17101-17104 inclusive, Arizona Revised Statutes, the City Council did, on May 22, 2008, make an estimate of the amounts required to meet the public expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Tempe, Arizona, and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the Council met on May 17, 2007, at which meeting any taxpayer was entitled to appear and be heard in favor of or against any of the proposed expenditures, and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council set a property tax public hearing for June 5, 2008, and set an adoption date of June 19, 2008, to adopt the property tax rate, and

WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Title 42, Section 17051, A.R.S., therefore be it

RESOLVED, that the said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced or changed by the same are hereby adopted as the budget of the City of Tempe, Arizona, for the fiscal year 2008-2009.

PASSED BY THE CITY COUNCIL OF TEMPE, ARIZONA, this 5th day of June, 2008.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

FINANCIAL SERVICES MANAGER

Exhibit A**Schedule A****Summary Schedule of Estimated Revenues and Expenditures/Expenses**

Fund	Adopted Budgeted Expenditures/ Expenses 2007-08	Unaudited Estimated Expenditures/ Expenses 2007-08	Estimated Unreserved Fund Balance 7-1-2008	Direct Property Tax Revenues 2008-09
General	\$173,148,855	\$170,296,557	\$45,525,498	\$10,811,100
Special Revenue	83,885,434	81,988,985	62,032,893	165,000
Debt Service	17,513,497	15,556,608	27,073,322	23,726,547
Capital Projects	212,706,469	212,706,469	12,562,258	0
Enterprise	80,738,916	78,655,016	47,136,497	0
TOTAL	\$567,993,171	\$559,203,635	\$194,330,468	\$34,702,647

Expenditure Limitation Comparison	2007-08	2008-09
1. Budgeted Expenditures/Expenses	\$567,993,171	\$564,472,808
2. Budgeted Expenditures/Expenses Adjusted for Reconciling Items		
2. Less: Estimated Exclusions	(297,507,043)	(282,170,713)
3. Total Estimated Expenditures/Expenses Subject to Expenditure Limitation	270,486,128	282,302,095
4. Expenditure Limitation	\$270,486,128	\$282,302,095

Exhibit A

▪ Schedule A, continued



Summary Schedule of Estimated Revenues and Expenditures/Expenses

Fund	Budgeted Revenues Other than Property Taxes 2008-09	Proceeds From Other Financing Sources 2008-09	Interfund Transfers 2008-09		Total Financial Resources Available 2008-09	Budgeted Expenditures/ Expenses 2008-09
			In	(Out)		
General	\$173,388,760	\$2,128,085	\$0	\$0	\$231,853,443	\$186,327,945
Special Revenue	87,131,428	0	0	(20,391,942)	128,937,379	97,949,428
Debt Service	887,276	0	2,770,000	0	54,457,145	23,180,569
Capital Projects	0	141,169,344	18,301,482	0	172,033,084	168,033,325
Enterprise	70,555,646	0		(679,540)	117,012,603	88,981,541
TOTAL	\$331,963,110	\$143,297,429	\$21,071,482	(\$21,071,482)	\$704,293,654	\$564,472,808

Schedule B



Summary of Tax Levy and Tax Rate Information

	2007-08 Fiscal Year*	Estimated 2008-09 Fiscal Year
1. Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17051(A))		\$10,976,100
2. Amount Received from Primary Property Taxation in the 2007-08 Fiscal Year in Excess of the Sum of that Year's Maximum Allowable Primary Property Tax Levy (A.R.S. 42-17102(A)(18))	\$0	
3. Property Tax Levy Amounts		
A. Primary Property Taxes	10,371,221	10,976,100
B. Secondary Property Taxes	21,364,887	23,726,547
C. Total Property Tax Levy Amounts	\$31,736,108	\$34,702,647
4. Property Taxes Collected		
A. Primary Property Taxes		
1. 2007-08 Levy	10,371,221	
2. Prior Years' Levies		
3. Total Primary Property Taxes	\$10,371,221	
B. Secondary Property Taxes		
1. 2007-08 Levy	21,364,887	
2. Prior Years' Levies	0	
3. Total Secondary Property Taxes	\$21,364,887	
C. Total Property Taxes Collected	\$31,736,108	
5. Property Tax Rates		
A. City Tax Rate		
1. Primary Property Tax Rate	0.5105	0.5070
2. Secondary Property Tax Rate	0.8895	0.8930
3. Total City Tax Rate	\$1.4000	\$1.4000

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collected for the remainder of the fiscal year.

Schedule C



Summary by Fund of Revenues Other Than Property Taxes

Source of Revenues	Budgeted Revenues 2007-08	Estimated Revenues 2007-08*	Budgeted Revenues 2008-09
GENERAL FUND			
Local Taxes			
City Sales Tax	\$86,188,300	\$80,688,000	\$80,946,760
Hotel Bed Tax	3,267,200	3,359,838	3,405,200
Franchise Taxes	2,671,000	2,706,000	3,129,000
Licenses and Permits			
Business Licenses	1,200,650	1,202,250	1,337,250
Intergovernmental Revenues			
State-Shared	41,303,000	39,156,094	40,681,200
Vehicle License Tax	7,193,600	6,848,266	7,278,111
Charges for services			
Total Charges for Services	11,463,351	12,253,626	11,212,246
Fines and Forfeitures			
Total Fines and Forfeitures	7,271,553	7,004,308	9,397,789
Interest on Investments			
Total Interest	5,424,874	7,500,000	6,939,071
In-Lieu Property Taxes			
Total In-Lieu Property Taxes			
Voluntary Contributions			
SRP In-Lieu Tax	542,500	542,500	569,600
Miscellaneous Revenues			
All Miscellaneous	2,670,282	1,439,118	8,492,533
Total General Fund	\$169,196,310	162,700,000	173,388,760
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Intergovernmental	12,497,060	11,484,090	11,818,077
Maintenance of Effort/Other		1,035,000	1,035,000
Barricading Fees			482,000
Miscellaneous Revenue		209,970	209,970
Total Highway User Revenue Fund	12,497,060	12,729,060	13,545,047
Local Trans. Assistance Fund (LTAF)			
Intergovernmental	514,000	514,000	503,700
Total LTAF	514,000	514,000	503,700

Summary by Fund of Revenues Other Than Property Taxes

Source of Revenues	Budgeted Revenues 2007-08	Estimated Revenues 2007-08*	Budgeted Revenues 2008-09
Transit Fund			
Transit Tax	36,250,700	33,922,155	33,888,200
State Lottery Proceeds	253,100	253,100	248,100
ASU-Flash Transit	521,000	521,000	610,370
Interest Earned - Trust Investments	261,290	759,000	617,000
Federal and State Funding		5,979,000	14,937,583
Miscellaneous Revenue	7,381,324	1,342,535	2,772,473
Total Transit Fund	44,667,414	42,776,790	53,073,726
Rio Salado Fund			
City Sales Tax	692,800	800,000	800,000
Hotel Bed Tax		240,000	242,000
Interest on Investments		190,000	190,000
Miscellaneous Revenue	515,970	153,254	153,804
Total Rio Salado Fund	1,208,770	1,383,254	1,385,804
Performing Arts			
Performing Arts Tax/Interest Income	8,077,567	6,933,500	6,933,500
Fees and Admissions		350,000	421,500
Interest on Investments		415,165	241,956
Total Performing Arts Fund	8,077,567	7,698,665	7,596,956
Community Dev. Block Grant (CDBG)	2,314,184	2,324,057	2,169,428
Section 8 Housing	8,702,388	8,717,408	8,856,767
Total CDBG/Section 8 Funds	11,016,572	11,041,465	11,026,195
Total Special Revenue Funds	77,981,383	76,143,234	87,131,428
DEBT SERVICE FUND			
SRP In-Lieu Tax	887,276	887,276	887,276
Total Debt Service Fund	887,276	887,276	887,276
ENTERPRISE FUNDS			
Cemetery	120,000	217,175	451,722
Golf	2,038,205	2,089,181	2,072,379
Water/Wastewater	50,751,164	50,751,164	53,041,440
Solid Waste	14,450,403	14,596,148	14,990,105
Total Enterprise Funds	67,359,772	67,653,668	70,555,646
TOTAL ALL FUNDS	\$ 315,424,741	\$ 307,384,178	\$ 331,963,110

* Includes actual revenues recognized on the modified accrual basis as of the date the proposed budget was prepared plus estimated revenues for the remainder of the fiscal year.

Schedule D



Summary by Fund of Other Financing Sources and Interfund Transfers

Fund	Proceeds From Other Financing Sources 2008-09	Interfund Transfers 2008-09	
		In	(Out)
GENERAL FUND			
GF-Transfer	\$ 2,128,085		
SPECIAL REVENUE FUNDS			
HURF/LTAF			(2,770,000)
Transit			(17,621,942)
Total Special Revenue Funds	2,128,085	0	(20,391,942)
DEBT SERVICE FUND			
Total Debt Service Fund		2,770,000	
CAPITAL PROJECTS FUNDS			
Bond/Note Proceeds	97,414,407	18,301,482	
CIP - Other Funding	43,754,937		
CIP - Fund Balance Applied			
Total Capital Projects Funds	141,169,344	18,301,482	0
ENTERPRISE FUNDS			
Water/Wastewater Fund			(679,540)
Total Enterprise Funds	0	0	(679,540)
TOTAL ALL FUNDS	\$ 143,297,429	\$ 21,071,482	\$ (21,071,482)

Schedule E



Summary by Department of Expenditures/Expenses Within Each Fund

Fund/ Department	Budgeted Expenditures/ Expenses 2007-08	Expenditure/ Expense Adjustments Approved 2007-08	Estimated Expenditures/ Expenses 2007-08*	Budgeted Expenditures/ Expenses 2008-09
GENERAL FUND				
Mayor and Council	\$ 429,943		\$ 369,805	\$ 392,876
City Manager	363,884		273,047	336,240
Community Relations	2,977,457	(5,000)	2,893,401	2,987,173
Diversity Program	604,701	(16,159)	584,236	646,967
Internal Audit	500,620		491,389	510,867
City Clerk	734,318		734,123	824,487
City Court	4,140,201	111,888	4,216,309	4,516,196
Human Resources	3,261,368	279,527	3,517,424	3,296,547
City Attorney	3,163,681	19,674	3,163,587	3,240,493
Financial Services	4,639,581	(800)	4,535,338	4,643,787
Community Development	3,964,249	206,897	3,846,251	4,310,066
Development Services	6,833,694	18,480	6,589,366	6,562,339
Police	66,043,829	1,476,784	67,490,327	74,967,930
Fire	22,400,895	1,556,866	23,777,511	27,717,029
Community Services	14,639,346	58,000	14,049,287	14,860,592
Parks and Recreation	15,789,440	150,000	15,541,651	16,943,216
Public Works - General	9,807,148	458,126	10,067,483	10,679,281
Non-Departmental	9,274,500	(1,277,842)	8,156,022	7,605,859
Capital Projects				
Contingencies	3,580,000	(3,019,361)	0	1,286,000
Total General Fund	173,148,855	17,080	170,296,557	186,327,945
SPECIAL REVENUE FUNDS				
Highway User Revenue	10,297,962	(7,830)	10,131,058	11,119,454
Transit	51,893,704	(630)	50,520,913	64,370,597
CDBG	2,314,184	(35,060)	2,242,554	2,169,428
Section 8 Housing	8,702,388		8,804,798	8,856,767
Rio Salado	2,078,346		1,698,845	2,467,828
Performing Arts	8,598,850	(4,800)	8,590,817	8,965,354
Total Special Revenue Funds	83,885,434	(48,320)	81,988,985	97,949,428
DEBT SERVICE FUND				
Debt Service	17,513,497		15,556,608	23,180,569
Total Debt Service Fund	17,513,497	0	15,556,608	23,180,569
CAPITAL PROJECTS FUNDS				
All Capital Projects	212,706,469		212,706,469	168,033,325
Total Capital Projects Funds	212,706,469	0	212,706,469	168,033,325
ENTERPRISE FUNDS				
Water/Wastewater	63,890,154	(384,849)	62,010,472	71,242,018
Golf	2,078,836		2,027,004	2,108,511
Cemetery	389,084		332,877	385,303
Solid Waste	14,380,842		14,284,663	15,245,709
Total Enterprise Funds	80,738,916	(384,849)	78,655,016	88,981,541
TOTAL ALL FUNDS	\$ 567,993,171	\$ (416,089)	\$ 559,203,635	\$ 564,472,808

* Includes actual expenditures/expenses recognized on the modified accrual basis as of the date the proposed budget was prepared plus estimated expenditures/expenses for the remainder of the fiscal year.